

\*\*E-Filed 7/24/2007\*\*

NOT FOR CITATION  
IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

PHASE FORWARD INCORPORATED,  
a Delaware Corporation

Plaintiff,

v.

MARY NOEL ADAMS, individually and d/b/a  
PHASE FORWARD,

Defendant.

Case Number C 05-4232 JF (HRL)

ORDER<sup>1</sup> GRANTING IN PART AND  
DENYING IN PART DEFENDANT'S  
MOTION FOR SUMMARY  
JUDGMENT

[re: docket no. 61]

**I. BACKGROUND**

Plaintiff Phase Forward Incorporated ("PFI") has registered the following marks with the United States Patent and Trademark Office ("USPTO"): "Phase Forward" and "PF Phase Forward" for "computer software used in the management of clinical trials of pharmaceutical products and medical devices and management of data resulting therefrom;" and "PF Phase Forward," for "clinical data collection in the field of clinical and medical trial management and

<sup>1</sup> This disposition is not designated for publication and may not be cited.

1 management services related to human clinical trials.” PFI also has registered the mark “Phase  
2 Forward” in Japan, Australia, and the European Union. PFI has used the “Phase Forward” mark  
3 since December 14, 1998.

4 On October 1, 2002, Defendant Mary Noel Adams (“Adams”), a California resident  
5 doing business as Phase Forward, filed an application to register the mark “Phase Forward” with  
6 the USPTO for “consultation services in the fields of product management, marketing and  
7 business planning.” Adams stated a first use in commerce of the mark “Phase Forward” on  
8 September 20, 2002. PFI sent a cease-and-desist letter to Adams on February 26, 2003,  
9 requesting that she refrain from further use of the “Phase Forward” mark. Adams refused to stop  
10 using the mark, and PFI filed opposition to Adams’s application with the USPTO. On August  
11 23, 2005, the Trademark Trial and Appeal Board (“TTAB”) dismissed the opposition.

12 PFI filed its initial complaint in this action on October 19, 2005, seeking review of the  
13 decision of the TTAB. The complaint named Adams as the sole defendant. On December 19,  
14 2005, Adams answered the complaint. On July 21, 2006, PFI filed a first amended complaint  
15 (“FAC”) that asserts claims for: (1) trademark infringement in violation of 15 U.S.C. § 1114; (2)  
16 unfair competition in violation of 15 U.S.C. § 1125(A); (3) trademark dilution in violation of 15  
17 U.S.C. § 1125(C); (4) trademark infringement in violation of Cal. Bus. & Prof. Code § 14335;  
18 (5) trademark dilution in violation of Cal. Bus. & Prof. Code § 14330; (6) unfair competition in  
19 violation of Cal. Bus. & Prof. Code § 17200 et seq.; (7) California common law trademark  
20 infringement and unfair competition; and (8) a request for judicial review of the decision by the  
21 TTAB under 5 U.S.C. § 701 et seq.; 15 U.S.C. §§ 1063, 1071(b). On December 1, 2006, Adams  
22 moved for summary judgment (“the motion”). PFI filed timely opposition. The Court scheduled  
23 oral argument for April 6, 2007. At the hearing, PFI advised the Court that Adams had briefed  
24 the motion with respect to only one of the eight counts in the complaint—the Court then  
25 continued the hearing and directed Adams to submit a revised brief addressing the entire  
26 complaint. The Court heard oral argument on the revised briefs on July 20, 2007.

## II. LEGAL STANDARD

A motion for summary judgment should be granted if there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48 (1986). The moving party bears the initial burden of informing the Court of the basis for the motion and identifying the portions of the pleadings, depositions, answers to interrogatories, admissions, or affidavits that demonstrate the absence of a triable issue of material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). If the moving party meets this initial burden, the burden shifts to the non-moving party to present specific facts showing that there is a genuine issue for trial. Fed. R. Civ. P. 56(e); *Celotex*, 477 U.S. at 324. A genuine issue for trial exists if the non-moving party presents evidence from which a reasonable jury, viewing the evidence in the light most favorable to that party, could resolve the material issue in his or her favor. *Anderson*, 477 U.S. 242, 248-49; *Barlow v. Ground*, 943 F. 2d 1132, 1134-36 (9th Cir. 1991).

## III. DISCUSSION

### 1. Review of the TTAB decision

Adams moves to dismiss Count VIII (request for judicial review of the decision by the TTAB under 15 U.S.C. §1071(b)), arguing that the TTAB's decision finding no likelihood of confusion or dilution with respect to Adams's trademark should be affirmed. Adams also argues that because likelihood of confusion is an essential element of Counts I, II, IV, VI, and VII, if this Court affirms the TTAB's finding there is no likelihood of confusion between PFI's marks and Adams's mark, then Counts I, II, IV, VI, and VII must also be dismissed.

With respect to Count VIII, PFI contends that "the record on which the Court must determine whether summary judgment is appropriate is far more extensive than the record before the TTAB." Opposition 6. Specifically, PFI states that the "additional evidence includes items PFI submitted to the TTAB, but which the TTAB did not review or take into account (such as interrogatory answers, affidavits and Internet search results), and evidence created or which came into existence since the commencement of this lawsuit, including Defendant Adams' deposition

1 testimony.” *Id.*

2 A party appealing a decision of the TTAB under 15 U.S.C. 1071(b)(1) is permitted to  
3 introduce new evidence to the district court. *CAE, Inc. v. Clean Air Engineering, Inc.*, 267 F.3d  
4 660, 674 (7th Cir. 2001). Thus, in such cases, the district court acts as a trier of facts as to new  
5 evidence presented by the parties, and engages in appellate review as to facts by the TTAB. *Id.*  
6 Fact finding is not appropriate at the summary judgment stage. *Pro-Football, Inc. v. Harjo*, 284  
7 F. Supp. 2d 96, 102, n.2 (D.D.C. 2003).

8 As it indicated at oral argument, this Court is not inclined to disturb the procedural rules  
9 of the TTAB that limited the evidence PFI sought to present in the administrative proceeding.  
10 However, PFI has identified evidence that was not available at the time of the TTAB  
11 decision—including new deposition testimony, evidence of customer confusion at a trade show  
12 in Amsterdam, and updated client lists from Adams—which it argues raises issues of fact as to  
13 likelihood of confusion. While acknowledging that this evidence is new, Adams suggests that  
14 the evidence either is cumulative of evidence before the TTAB or would not change the outcome  
15 of the TTAB decision. While some of the new evidence does appear to be cumulative, at least a  
16 portion of it is not, and the Court may not weigh the probative value of the evidence on a motion  
17 for summary judgment. Accordingly, summary judgment will be denied as to Counts I, II, IV,  
18 VI, VII, and VIII.

## 19 **2. Dilution**

20 Additionally, Adams seeks to dismiss Counts III and V, which allege claims for dilution.  
21 Adams argues that the TTAB’s finding of no dilution should be affirmed. As to Count III  
22 (Federal Trademark Dilution), PFI concedes that it has not met the more rigorous standards set  
23 forth in the Trademark Dilution Revision Act (“TDRA”), and thus agrees to dismiss Count III.  
24 However, with respect to Count V (California Trademark Dilution), PFI argues that it has  
25 attained “niche fame” in the segments of the market in which it conducts its business and that the  
26 Ninth Circuit recognizes niche fame as protectible under California dilution law. PFI argues that  
27 the evidence in the record, including Adams’s client lists and recent deposition testimony, shows  
28

1 that there is a “similar relationship between the industries the parties service, and the trade  
2 channels they employ . . . .” Opposition 24. Adams argues that the evidence does not support a  
3 finding that PFI and Adams conduct business in the same market, which is a required element to  
4 support a claim of trademark dilution under California law. However, as with the claims based  
5 on likelihood of confusion, the Court may not weigh the evidence at the present stage of the  
6 proceeding.

7 **IV. ORDER**

8 Good cause therefor appearing, IT IS HEREBY ORDERED that the motion for summary  
9 judgment is GRANTED with respect to Count III and otherwise is DENIED.

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11 DATED: July 24, 2007.

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14 JEREMY FOGEL  
15 United States District Judge  
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